DECLASSIFIED AVAIT-45

Department of State **TELEGRAM**

LIMITED OFFICIAL USE 663

PAGE 01 ROME 02458 141223Z

43
ACTION E-15

INFO OCT-01 EUR-20 CAB-09 CIAE-00 COM-08 DODE-00 DOT-12
INR-07 NSAE-00 RSC-01 SS-20 NSC-10 L-04 H-02 SSO-00
NSCE-00 RSR-01 CCO-00 /110 W
080486

O 141142Z MAY 70
FM AMEMBASSY ROME
TO SECSTATE WASHDC IMMEDIATE 4874

DEPARTMENT OF STATE A/CDC/MR 5 MAY 1982
REVIEWED BY DATE
RDS or XDS EXT. DATE
TS AUTH. REASON(S)
ENDORSE EXISTING MARKINGS
DECLASSIFIED RELEASABLE X
RELEASE DENIED
FOIA OR FOI EXEMPTIONS

LIMITED OFFICIAL USE ROME 2458

SUBJ: CIVAIR NEGOTIATIONS

DELIVER LOY 0900

FROM USDEL

1. IN WEDNESDAY AFTERNOON INFORMAL MEETING, ITALIAN DEL DELIVERED STRONG STATEMENT ATTACKING ALMOST ALL ELEMENTS OF U.S. INFORMAL PACKAGE, PARTICULARLY QUESTION OF "FROM THE U.S." LITTLE PROGRESS MADE IN ENSUING DEBATE. AFTER LENGTHY RECESS, DESPITE ABOVE PRESENTATION ITALIAN DEL TABLED FOLLOWING PACKAGE:

2. ALL CARGO POINTS FOR U.S.

AGREED SIX POINTS U.S. AND ALSO SEVEN INTERMEDIATE WITH BLIND SECTORS ON GERMANY AND SWITZERLAND. NO LIMITATION ON NUMBER OF POINTS IN INTERMEDIATE COUNTRIES. POINTS IN ITALY TO INCLUDE ROME, MILAN, AND CHOICE OF PISA, TURIN OR NAPLES.

3. ALL CARGO CAPACITY.

ITALIA AGREED THAT ALL-CARGO CAPACITY WOULD COME UNDER AGREEMENT AT END OF THREE YEARS BUT FELT PROPOSED LEVELS OF 14, 20, AND 26 WERE TOO HIGH. USDEL

DECLASSIFIED

DECLASSIFIED

Department of State **TELEGRAM**

LIMITED OFFICIAL USE

PAGE 02 ROME 02458 141223Z

PROPOSED 14 FOR FIRST YEAR WITH 30 PERCENT GROWTH. ITALIAN DEL SAID WOULD CONSIDER.

4. CAPACITY.

ITALIAN DEL STILL WANTED TWO YEAR FREEZE AFTER DISAGREED CONSULTATIONS OR ALTERNATIVELY TRAFFIC GROWTH RELATED FORMULA.

5. POINTS FOR U.S. COMBINATION SERVICES.

ITALIAN DEL AGREED FORMULATION CONTAINED U.S. DOCUMENT NO. 4 WITH ACCEPTABLE STIMULATING NUMBERS OF POINTS IN INTERMEDIATE AND BEYOND COUNTRIES. COULD NOT ACCEPT "FROM U.S." FORMULATION AND INSISTED ON NAMING TWELVE CERTIFICATED POINTS. (SANTINI SAID PRIVATELY HE HAD NO PROBLEM BUT ALITALIA BITTERLY OPPOSED.)

6. ITALIAN ROUTE SCHEDULE FOR COMBINATION SERVICES.

ITALIAN DEL WANTED NEW YORK, BOSTON, CHICAGO, WASHINGTON, DETROIT, PHILADELPHIA AND LOS ANGELES OR SAN FRANCISCO/OAKLAND. ITALY WOULD HAVE OPTION OF SELECTING LOS ANGELES OR SAN FRANCISCO AT THE BEGINNING OF EACH SEASON. CO-TERMINALS WOULD BE BOSTON/DETROIT, BOSTON/PHILADELPHIA/WASHINGTON, CHICAGO/LOS ANGELES OR SAN FRANCISCO/OAKLAND. INTERMEDIATES WOULD BE SPAIN, FRANCE, U.K., POINT IN CANADA, IRELAND, AND PORTUGAL WITH LIMITATION OF ONE INTERMEDIATE ON EACH FLIGHT. SOME QUESTION WHETHER SPAIN OR FRANCE AND IRELAND OR PORTUGAL FORMULATION WOULD REDUCE LIST AND WILL CLARIFY.

7. FOR ALL-CARGO ITALIANS WANT ROME, MILAN VIA SPAIN, FRANCE, U.K., POINT IN CANADA, TO -
A. BOSTON AND NEW YORK
B. NEW YORK AND CHICAGO

8. BEHIND GATEWAY AND CHANGE OF GAUGE.

ITALIAN DEL ACCEPTS U.S. POSITION.

0914597030

DECLASSIFIED

Department of State **TELEGRAM**

LIMITED OFFICIAL USE

PAGE 03 ROME 02458 141223Z

9. ABOVE PACKAGE DISCUSSED WITH U.S. INDUSTRY WHO FELT PACKAGE GENERALLY ACCEPTABLE BUT WOULD WISH TO LIMIT POSSIBILITIES ON USE OF ITALIAN INTERMEDIATES AS FOLLOWS:

A. DELETE U.K. ENTIRELY AND IF THIS NOT ROSSIBLE DELETE U.K. TO LOS ANGELES OR SAN FRANCISCO AND U.K. TO PHILADELPHIA/WASHINGTON.

B. LIMIT CANADA RIGHTS TO CHICAGO.

C. DELETE FRANCE CHICAGO.

D. DELETE PORTUGAL TO CHICAGO AND LOS ANGELES OR SAN FRANCISCO.

E. DELETE OR LIMIT CANADA ALL CARGO RIGHT TO U.S. AND BE PREPARED GIVE UP IRELAND AND PORTUGAL AND SIXTH ALL-CARGO POINT IN U.S. IF NECESSARY.

10. INDUSTRY WOULD PREFER U.K. SELECTION FORMULA FOR LOS ANGELES OR SAN FRANCISCO. USDEL HAS NO PROBLEM WITH SUGGESTIONS PARAS 9 AND 10.
MARTIN
BT

NNN

0314597934